

Pierpont Morgan, at about twenty minutes past two, with the news that the exchange must close if money was not forthcoming. Immediately, Mr. Morgan summoned the presidents of the big banks, and a fund of \$25,000,000 was pledged to prevent disaster.

Already the cool, imperturbable financier who in 1895 had rescued the national treasury from suspension of gold payments, and who had made his name a household word by the formation of the United States Steel Corporation, was the recognized chieftain in the measures taken for averting* disaster. Secretary Cortelyou, who had hurried to New York on the outbreak of the trouble, insisted that the financial interests should be united, and Mr. Morgan was the natural leader.¹ The Secretary of the Treasury promptly began large deposits of public funds in national banks, which enabled these banks to extend aid more generously to the threatened trust companies than would otherwise have been the case. Within a few days about \$35,000,000 of public money was thus placed at the command of the market in New York, and considerable deposits were made at Chicago, Pittsburg, Cincinnati, and other central points. Net deposits of public funds held by national banks were ultimately increased from August 22d to December 3d by the sum of \$79,834,689.

Under the strain of panic and the rigidity of the currency system, American banking broke down as it had done in 1857 and 1893. On Saturday, October 26th, the New York Clearing House Committee decided upon the issue of Clearing House certificates on the following Monday, and on the same day payment of checks in currency was generally suspended at the New York banks, and the same policy spread rapidly throughout the country. Clearing House certificates were issued directly by Clearing House committees in leading cities. The amounts issued at the principal cities were: New York, \$100,000,000; Chicago, \$37,505,000; Philadelphia, \$13,295,000; Boston, \$11,995,000; St. Louis, \$12,-

¹ Cf. James Creelman, "Morgan the Magnificent/"
In *Forster's*
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